

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)	
CHESAPEAKE UTILITIES CORPORATION)	
FOR APPROVAL OF A CHANGE IN ITS)	PSC DOCKET NO. 16-0908
GAS SALES SERVICE RATES ("GSR") TO)	
BE EFFECTIVE NOVEMBER 1, 2016)	
(FILED SEPTEMBER 1, 2016))	

ORDER NO. 9103

AND NOW, this 22nd day of August 2017, the Delaware Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on September 1, 2016, Chesapeake Utilities Corporation ("Chesapeake") filed with the Commission the above captioned application (the "Application") which sought approval to change its gas sales service rates ("GSR Rates") effective for usage on or after November 1, 2016; and

WHEREAS, by Order No. 8943 (September 20, 2016), the Commission determined, pursuant to 26 Del. C. §§ 304 and 306, that the proposed modifications to the GSR Rates should be permitted to become effective for usage on and after November 1, 2016, subject to refund and pending the Commission's further review and final decision; and

WHEREAS, an evidentiary hearing regarding the Application was held on May 9, 2017, and the Commission approved the Gas Sales Service Rates as final (Order No. 9058, May 9, 2017); and

WHEREAS, Section XVI of Chesapeake's Tariff ("Tariff") requires that if, during a GSR year, an under collection in the GSR Rates exceeds a 6% threshold, Chesapeake must apply for revised GSR Rates; and

WHEREAS, on July 26, 2017, Chesapeake filed a request for a waiver ("the Letter") stating that its under collection balance is currently at 9.88%, which exceeds the 6% threshold amount set forth in Section XVI of the Tariff; and

WHEREAS, Chesapeake represents that the under collection resulted primarily due to below normal weather conditions experienced during the first part of 2017 combined with lower than budgeted consumption of natural gas by its firm sales customers; and

WHEREAS, Chesapeake further represents that an interim rate increase at this time would not significantly impact the amount of the under collection given that low consumption volumes are projected for the remainder of the GSR period; and

WHEREAS, Chesapeake therefore requested that the Commission grant it a waiver of Section XVI of its Tariff so that it would not be required to file and request an interim GSR Rate; and

WHEREAS, Staff has reviewed the Letter and recommends that the Commission grant Chesapeake's requested waiver of the provisions in Section XVI of its Tariff which require filing for and requesting interim GSR Rates. Staff notes that Chesapeake will file an application for its next annual GSR Rates on or before September 1, 2017, and any projected under collection balance will be incorporated into the calculations to support that filing; and

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NO FEWER THAN THREE COMMISSIONERS:**

1. For the reasons set forth in the Letter and in Staff's Memorandum, the Commission concludes that Chesapeake's requested waiver is hereby **GRANTED**. The provisions of Section XVI of Chesapeake's Tariff which require the company to file for and request interim GSR Rates are waived at this time.

2. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary